

CONSERVATIVE PARTY OF ALBERTA.

The leader of the opposition's
Address to the electors of Alberta.
Michener, Edward: A brief review of
provincial affairs. Red Deer, The
News, (1917)

Rutherford

POSITION'S

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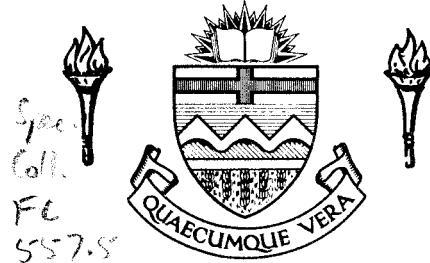
EDWARD MICHENER.

A Brief Review of Provincial Affairs

"It is the Duty of every Citizen to Study Public Questions
and Vote on the Merits of the Issues rather than for Party."

Printed and published at the "News," Red Deer, Alberta. (1917)

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Mr. Michener's Manifesto To Alberta Electors.

To the Men and Women Electors of Alberta :

"The Government are appealing to the country, one year before the expiration of their term, at the greatest crisis of the war, with our soldiers at the Front, deprived of their rightful votes as electors of Alberta. The Province is put to the disturbance and expense of a general election, not to serve any public interest, but to promote their political fortunes at the expense of the patriotic interests of the Province.

Why hold an election at the present time? Within the next year the war may be over and many more of our men back from the Front? Do we not need to devote every energy, sacrifice every interest to the supreme purpose of bringing to a speedy and victorious conclusion the great world struggle?

True, the need for a change of government is great, but not nearly so important as a united and vigorous prosecution of the patriotic interests of our people, and the preservation of our homes, our country, our Empire and our liberties.

Is anyone more entitled to a vote in the Government of our Country than the men who are defending it? Yet the Government propose to hive the soldiers votes into two pockets, two seats instead of giving them their rightful vote and influence on the results in fifty-six constituencies. If our men at the Front are to vote at all, why not give them their full rights as citizens and electors? Is one vote at home worth the votes of ten soldiers? Yet this is what the sentimental vote given to our men at the Front means—one vote at home has more influence on the results of the election than ten soldiers' at the Front.

Is not the Government depriving the men, who are defending our homes, of the very rights and liberties of citizenship for which they are fighting?

We believe every patriotic and fair minded man and woman will bring to account a government that will, for political advantage, trifle with the rights of our men at the Front and spring an election at such a time as this, unnecessarily.

Election Legislation.

It was quite evident from the speech from the throne at the last Session of the Legislature, as well as from the legislation brought down by the Government, that an election was pending. The Government previous to elections always get very much interested in legislation that appeals to the farmer, while from term to term after elected, their principal interest seem to be in giving the credit of the Province to railway promoters and corporation interests.

After twelve years of power, during which time the credit of the Province has been largely used to promote private interests and erect provincial buildings, nothing has been done to get larger credit at a more reasonable rate of interest to develop the agricultural interests of the Province. For years the Opposition have strongly urged the Government to raise upon the credit of the Province large agricultural credits to encourage the increase of farm production.

In 1910 when this question was first advocated by the Opposition, money could have been secured at 4 per cent. or less and loaned to the farmer at 5 per cent. At that time it would have given great relief to many settlers and would have meant the difference between success and failure to many. To-day, when the Province cannot borrow money at any reasonable rate for this purpose, just before an election, they introduce and pass three acts, which, under the present circumstances cannot be much more than election acts.

Two of these acts, namely, the Agricultural Co-operative Act and the Live Stock Encouragement Act, commonly known as "Duncan Marshall's Cow Bill," we do not believe are practical to any extent. While the Opposition did not oppose them but supported them, yet we do not

believe that they will be very much assistance.

The Alberta Farm Loan Act, the most practical one of the three, would have been a great help had it been introduced some years ago and may be of considerable assistance to the agricultural interests of Alberta, providing the government undertake in any serious and comprehensive way the working out of the Act. It remains, however, for the people to say whether they prefer a party who have urged this upon the Government for years, to put it into effect or a party who gave as an excuse for not putting it into effect before, "that it would affect the banks and financial institutions." We do not believe the Government have had a vision of the truest and deepest needs of the Province.

Living in a new agricultural country, it is paramount that the Government should create conditions by legislation, by regulation of the markets and transportation, that the farmer can get the cream from his own farm and thereby become prosperous and contented. We must lay the foundations of our future greatness by giving such encouragement to the agricultural interests and farm production that will insure their success and thereby lay the foundations upon which we can build a commercial and industrial development for the future.

Road Constructions.

In connection with road construction instead of the promiscuous and political policy of building roads at the request of party associations or political friends, the Opposition believe there should be a constructive and permanent road policy for the Province, under a competent board of engineers, unhampered by partisan influences. Until we get the Provin-

cial construction of our highways on a basis we cannot hope for a satisfactory or permanent road system.

We believe that this political and haphazard way of constructing roads will never give permanent satisfaction nor permanent roads. If, however, a competent road commission lay out a plan of highways or trunk roads throughout the different constituencies of the Province, we would obtain better results in the construction of roads. Furthermore, we believe that drainage in central and northern Alberta is necessary for permanent roads. The Government have pursued a short-sighted system in this connection, with the result that much of the money spent has been wasted by not properly getting rid of the water. Larger expenditures would not only lay the foundations for roads but would also bring under cultivation large areas of land and reduce the frost danger. The Opposition believe that much larger expenditures are necessary for drainage and for highways. We believe there is nothing that makes for prosperity and increase in farm lands, as much as good roads leading to market centres for the convenience of the settler.

While the Government have spent many millions upon state buildings, some of which could well be done without for years to come, and while the Government are exhausting recklessly our credit for railway promotion schemes, they are spending paltry sums in a very inefficient way for the betterment of the country in road and drainage expenditures.

Rural Hospitals.

The Government at the last Session passed a hospital bill which is alright as far as it goes, but does not go far enough to give any real assistance to the people throughout the rural districts for the establish-

ment of rural hospitals.

There is no greater need in Alberta to-day than for rural hospitals. Many parts of the Province are entirely without medical service of any kind. It is sad and tragic to think of the loss of life by reason of the fact that the people have not the medical and hospital service necessary to protect human life.

We believe it is the duty of the Government to protect property, is there not a greater responsibility resting upon the Government to protect human life? What does the Government propose to do? They propose to place the whole responsibility upon the people; they provide in the Act that a council or twenty-five electors can petition the Minister of Rural Municipalities for the instalment of a rural hospital. The hospital committee is then appointed, the chairman of which is to be appointed by the Minister of Rural Municipalities, a by-law to raise the money for building and equipping the hospital is submitted to the people. In other words, the people have the right to appoint a committee but not the chairman, they have the right to tax themselves to build, equip and maintain rural hospitals.

What does the Conservative party propose in connection with rural hospitals? They propose to establish a Provincial Hospital Board to give assistance to the local committee in the construction, equipment, and management, in the way of securing competent doctors, nurses, etc. They propose furthermore to establish a chain of rural hospitals throughout the Province by building first where most needed in the outlying districts, free hospitals from the proceeds of the Wild Land Tax. The Wild Land Tax is collected from the rural parts of Alberta, what better purpose can it be devoted to than for the establish-

ment of rural hospitals throughout the Province, which will be built and equipped absolutely free by the Government from this tax?

After the hospitals are established the local board will manage them with the assistance of the Provincial Hospital Board. Liberal grants will be given to all hospitals throughout the Province in connection with the operation of these hospitals. The hospital policy of the Government under the present Act would mean a promiscuous and haphazard construction of rural hospitals throughout the Province, whereas the hospital policy of the Opposition would under the Provincial Hospital Board, make for unity and efficiency and would give to the newer districts, where hospitals and medical service are needed most, these necessary advantages.

Telephones

There is perhaps no department of the Government where there is greater wastage and inefficiency than in connection with the administration of the telephone system. Up to 1909, when the system was under the Department of Public Works, the rural lines cost on an average of \$143 per mile. After the Telephone Department was taken from the Department of Public Works and put under the Minister of Railways and Telephones, there is a marked increase in the cost of construction. In 1912 rural lines cost \$243 per mile. In 1913, the year of the last general election, \$402 per mile.

The political management of the Telephone Department has been so bad that the Government are not able to give the telephone service to the rural districts to which they are entitled. In many parts the farmers are organizing their own companies and connecting up with the Government system.

The Opposition believes that the telephones should be put under an independent business management, free from party influence, in order that it might be managed in an efficient and economical way that the service can be extended rapidly to meet the reasonable demands of the people at a reasonable cost.

Public Debt and Taxes.

When Premier Sifton took office in 1910 the Province had a bonded indebtedness of \$2,200,000, with an overdraft at the Bank of \$2,500,000. To-day we have a bonded indebtedness approximately \$29,000,000, with \$2,500,000 authorized at the last session. Mr. Sifton's frenzied finance since being Premier of Alberta has plunged the Province behind at a rate of \$4,000,000 per annum, till to-day we have a fixed interest charge of nearly \$1,500,000, or a daily interest charge of over \$4,000. No adequate sinking fund is provided year by year to enable the Province to pay its liabilities at maturity, as is done in every business corporation, municipality and government. As a result of the large interest charge upon the Province the Provincial Treasurer has introduced all kinds of special taxation, which is becoming a burden upon the people.

Many forms of taxes, by way of special licenses are taken from the people. One of the last forms of special taxation is known as the Theatre Goers Tax, it is commonly known under the popular name of War Tax. Not one dollar of this goes to the war, but is an added tax on the pleasures of the people to meet the increasing deficiencies of the Government. Hospital grants and school grants have been reduced, while on the other hand many special taxes are imposed upon the people.

If the present political administration of the affairs of the Province continues, we are face to face with a direct tax upon all the lands of the Province to meet the increasing interest charges from year to year and the necessary expenditures of the Government.

Natural Resources.

The acquisition by the Province of our vast natural resources is the only way we can hope to prevent direct taxation and have sufficient revenue to put the Province upon a sound financial basis, not only to meet our rapidly increasing debts, but also to provide for the demands of our increasingly larger expenditures.

The Conservative Party has stood for full provincial rights since 1905 and we stand firmly upon that great principle to-day. Even the Liberal members of the House now admit that the position of the Opposition was the far-sighted and right one and in the interests of the Province.

The results of twelve years show that, while we have received in lieu of our natural resources, a total cash subsidy of \$4,265,625, the Dominion Government have received in revenues from these resources the total sum of \$13,205,661. As years go by larger revenue will be obtained from these natural resources and if returned to power, the Opposition will at once negotiate for the acquisition of our lands, our timber, our minerals, our water powers and all other Provincial assets.

Railroads.

Not only have the Government plunged the Province into an enormous direct debt of over thirty millions, but have authorized guar-

antees of railroads for sixty million dollars, of which over forty-five has already been authorized.

The Opposition have been and are unalterably opposed to the reckless and iniquitous policy of the Government in connection with railway guarantees.

Sir Adam Beck recently in the Ontario Legislature gave a most scathing denunciation of the way, McKenzie and Mann have piled up profits out of the guarantees of the people of Canada. He asserted that a debt had been placed on every man, woman and child for McKenzie and Mann of \$26 per head.

They have taken their toll from the Province of Alberta and have played fast and loose with their agreements with the Government.

Mr. Sifton went to the country at the last election on the Canadian North Western Railway policy, having given a Provincial guarantee for 1275 miles to McKenzie and Mann for lines which were projected through nearly all the constituencies throughout the Province. Over six million of these bonds were sold in 1912-13, yet to date, only 153 miles has been actually completed with about as much more of scattered and disjointed grades. While the guarantee act provided that the whole mileage of 1275 miles should be completed by the end of 1915. Although the guarantee on these various lines averaged \$15,000 per mile, the Canadian Northern Western have been paid to date \$23,000 per mile, which is greatly in excess of the actual money earned.

Evidence before the Public Accounts, taken under oath by the Government railway engineers, show that money has been paid irregularly to the Railway Company and O. K'd., without the Government Engineer having seen and inspected the work done. What can we expect, when the Secretary of the Railway Department at Edmonton, who O.

K's. payments, was for seven years a confidential clerk of McKenzie and Mann and was appointed to his position soon after Mr. Sifton became Premier of Alberta and Minister of Railways.

It is not, however, in connection with the McKenzie and Mann guarantees that the Province has been subjected to the greatest manipulation and jeopardy, but in connection with the guarantees to J. D. McArthur and his associates. One would think the Government would learn the lesson of the disastrous results to the Provincial credit in connection with the guarantees to McKenzie and Mann, without taking up with another Railway Company and Promoter in the person of J. D. McArthur.

Since Mr. Sifton has been Minister of Railways and Premier of Alberta, Mr. McArthur and his associates have received the guarantees of the Province for \$20,000 per mile over a mileage of 930 miles, making a total authorized guarantee of \$18,600,000. In addition Mr. McArthur and his associates have received by ~~way of straight loan an additional~~ making in all a pledge of \$2,000,000, making in all a pledge of the credit of this one railway contractor of over twenty millions of dollars or an average of \$45.00 for every man, woman and child in the Province of Alberta.

In connection with the construction of these lines by Mr. McArthur and his associates, we have ample authentic evidence that Mr. McArthur and his associates make a clear profit of at least \$5,000 per mile over and above the actual cost of the road, its equipment, and interest on the money during construction. In other words, Mr. McArthur and his associates are permitted to make a profit of millions of dollars by a systematic and cor-

rupt inflation permitted by the Government of the cost of the roads, manipulated by the J. D. McArthur Construction Company taking the contracts from J. D. McArthur and his associates at fictitious prices and without tender and without competition.

The Government are willing to loan to the farmer thirty or forty per cent. of the value of his farm to benefit agriculture but they hand out to this favorite railway contractor not the actual cost of the road, but from 30 to 40 per cent. more than the actual cost or the security of the road.

The question naturally arises why the Premier of Alberta, who is the Minister of Railways and who is charged with the responsibility of protecting the interests of the Province, is thus lending his position to private interests whereby millions are made at the public expense.

Is it not a great pity that in the developement of a Province such as ours, where money is so badly needed for roads, for the education of our children, for the providing of public institutions and for the developement of all our great and various interests, we should support and condone a system of private profiteering at the public expense.

In the United States laws have been passed against interlocking directorates to overcome the agression of private interests. We have here J. D. McArthur and his associates controlling, first, The Edmonton-Dunvegan and British Columbia Railway, the Alberta and Great Waterways Railway, the J. D. McArthur Construction Company, the North West Lumber Company, and any other subsidiary Companies they may organize.

Who are these associates?

The financial combination, whoever the associates may be, is threatening the depletion of Alberta's credit and jeopardizing the securities of the Province and inviting disaster for the day of reckoning to come. While there is need for railway development in Northern Alberta as well as in all parts of the Province, parts of the McArthur lines are manifestly built more for private interests than for public necessity. It is interesting to note that these guaranteed lines as well as nearly 400 miles more of extensions, for which charters were granted during the past session, serve to open up timber areas which were alienated by Sir Clifford Sifton to relatives and friends, during the time he was the Minister of the Interior. It is, furthermore, significant to note that some of these timber areas are now controlled by J. D. McArthur and his associates, under the ownership of the North-West Lumber Company. It is also significant to note that Mr. J. D. McArthur, commonly known as "the family contractor," the friend of the Siftons, has secured not only guarantees vastly in excess of actual cost of construction, but loans and concessions manifestly not in the public interest.

The total mileage of railways built in the Province of Alberta since 1905 is 4966, while only 1707 has been actually built as a result of the guarantee policy of the Government. The Opposition are unalterably opposed to this reckless and suicidal policy of the Government in connection with railway guarantees to railway promoters. If we have to supply the credit to build railways, we believe it would be better for the Government to build the lines for the actual cost in the interests of the people and thereby prevent the manipulation of the roads to serve private rather than

public interests, also prevent the inflation of costs of roads whereby the settlers will need to pay excess rates for all time to come.

The most fatal result of the Government's iniquitous policy in connection with their promotion railway schemes, is that the Companies are not bound to operate the lines when completed but only during construction and when they have received their last dollar under the guarantee, when they have made their millions out of the construction of their lines and when their private interests in connection with their timber areas are exhausted, what is to hinder them from handing the lines over to the Government for the Province to assume the responsibility for the interest and principal payment on the roads as well as the deficits on operation. Can anyone who has the interests of the Province at heart not foresee the appalling situation? what our Province will be confronted with by reason of the fact that the Government and the Minister of Railways, who is the Premier of Alberta, have played into the hands of private interests, rather than protected the people of Alberta who reposed in him the high responsibility of his position?

Investigations.

The following charges were made against the Minister of Railways during the past Session which were absolutely enforced and proven by the facts in connection with each charge:

- (1) The Minister of Railways has improperly permitted the payment out to railway interests from the proceeds of guaranteed bonds large sums of money on false and fraudulent estimates.

(2) That no proper supervision has been exercised by the Minister of Railways nor by any member or official of the Government to ensure that the entire proceeds of sales of bond issues are paid into a chartered bank according to law, and as a result of such negligence large sums of money which by law should have been used in railway construction have been diverted to private interests.

(3) That as a result of misleading and incorrect information conveyed to this House by the Minister of Railways this House was induced to authorize guarantee bonds to the railways controlled by J. D. McArthur and his associates, covering over 900 miles in all, to an amount exceeding the actual cost of such railways by more than \$5,000 per mile.

(4) That private interests have been permitted by the Minister of Railways to exploit the public credit of the province by means of excessive guarantees and other privileges and concessions not in the public interest and that the location of railways built on the credit of the province has been determined by private interest rather than by public good, and as a result private fortunes are being built up at the public expense and with the full knowledge of the Minister of Railways.

The second charge in connection with the bond shortage is the only one that the Government attempted to explain away. In order to do so they accounted for \$334,000.00 of the shortage by an illegal payment of this amount on the part of the Railway Company for interest on advances, which is contrary to the guarantee act and does not relieve the government from the responsibility of that shortage.

The balance of \$500,000 was ac-

counted for by allowing a brokerage of $3\frac{1}{2}$ per cent, but everyone knows that from $\frac{1}{2}$ to 1 per cent. is the usual commission on a large bond sale. The Government have made three different explanations of this bond shortage but so far as the Opposition are concerned, or the public generally, the shortage is still there and we challenge the Government to investigate the four charges against the Minister of Railways.

The Minister of Railways treated these charges, serious as they were, with contempt and refused an investigation into them.

Do the people of Alberta demand the right to investigate their own business?

Are the members of the Government the servants or the masters of the people by refusing investigations against ministers of the crown?

Also serious charges against the Attorney General in addition to those mentioned above against the Minister of Railways. Charges against the Attorney General were made Session before last and were as follows:—

(a) That licensees, being such under The Liquor Ordinance, of this Province, have paid under duress, large sums of money to agents of the Attorney General for election purposes, and that the Honorable the Attorney General, name, C. W. Cross, was cognizant thereof and a party thereto.

(b) That licensees of this Province have paid large sums of money to the agents of the Attorney General for the purpose of obtaining unlawful concessions in matters governed by The Liquor License Ordinance, and that the Honorable the Attorney General was cognizant thereof and a party thereto.

(c) That licensees of this Province have paid large sums of money to the agents of the Attorney General for the purpose of stifling or unjustly abandoning prosecutions under The Liquor License Ordinance, and that the Honorable the Attorney General, name, C. W. Cross, was cognizant thereof and a party thereto.

(d) That certain licensees of this Province have paid a large sum of money to the agents of the Attorney General for the purpose of securing immunity from the threats and coercion of such agents and further extortions in the matter of privileges granted under The Liquor License Ordinance, and that the Honorable the Attorney General, name, C. W. Cross, was cognizant thereof and a party thereto.

The Opposition were prepared to prove every charge made yet the Premier defended the Honorable the Attorney General and refused absolutely to open the lid upon the seething mass of corruption in connection with the administration of the license department.

If the electors of Alberta believe that public affairs of the Province should be investigated when serious charges are made, then they must turn from power a government that refuses the people this right and thereby declare themselves the masters and not the servants of the people.

Government Promises.

The Government went to the country in 1913 on promises which have not been fulfilled. Again, the Government are making many promises.

Previous to the last election there was an item of \$300,000 for public buildings and sites, this sum has never been expended but has been reduced to \$50,000 since. At the last session there was an appropriation put in the estimates for \$100,000 for agricultural schools. Doubtless this will turn out as the appropriations for public buildings previous to the last general election. The peoples' hopes in many constituencies were raised for public buildings but ended in promises. Today we have agricultural schools promised in a good many constituencies throughout the Province. Under present financial conditions we leave it for the people to judge whether these expenditures will be made. A government that resort to such dishonest methods of bribery to unduly influence the electorate and are not willing to be judged upon their record are not likely to carry out their pledges or give an honest administration.

Civil Service Reform.

The Opposition are in favor of the appointment of a public service commission to institute a Civil Service examination as the basis for appointments and promotions, where merit and not political consideration is the necessary qualification.

We believe that many of the evils of party system will be eliminated by doing away with the patronage system and establishing an efficient and permanent Civil Service in connection with the different departments of the Government.

The Temperance Question.

The Government supporters in some quarters claim considerable credit for having passed the Liquor Act, while nominally the Liquor Act was passed without opposition from any member of the Legislature, it was the peoples' measure under the Initiative and Referendum.

The Government passed some amendments to the Liquor Act at the last session, which were supported by all the members of the House.

We do not believe, however, that a Government that has been hand in glove with the liquor interests and has received from them large sums for party funds to corrupt the electorate of Alberta at election times, will command the support of those who have the temperance question at heart. "Do men gather grapes of thorns or figs of thistles?"

The Opposition have always been in favor of submitting the Prohibition question to the people, and if placed in power will administer the Liquor Act under an independent commission absolutely free from political influence.

Women's Franchise.

The women of Alberta have now their full rights of citizenship and will be entitled to vote at the forthcoming election. The Opposition stood unanimously for this measure. We believe that women who live under the law and are subject to the law, should have the same status as men with respect to all the rights of citizenship. While this measure was a Government measure it was

supported by every member of the Opposition both by vote and by influence. The Leader of the Opposition supported by other members of his party at the session before the franchise was granted to women, advocated women's suffrage and it was only after the Opposition had strongly spoken in its favor and after the overwhelming vote for prohibition, that the Government were finally persuaded to bring in the measure to extend the franchise to women.

While doubtless credit should be given to the Government for having introduced this measure, no less credit should be given to the Opposition for having urged it upon the Government and for having supported it in the whole hearted and unanimous way which they did. The Opposition appeal to the women as well as the men of Alberta who desire better conditions, who disapprove of corruption, extravagance and the despotic rule of the affairs of Alberta, to support the Opposition in the coming election. The Opposition for some years have tried as far as they could in the legislature and in the Province to protect the public interests and while criticizing the Government upon many things, yet have supported all measures that they believed to be in the interest of the people.

Is it not time for a change?

Is it not time to rid the Province of the corrupt system of machine politics that makes for inefficiency and wastage and to establish efficient, economical and business administration by electing to office the Opposition?

IN CONCLUSION THE OPPOSITION ARE OPPOSED TO:

- (1) The Sifton policy of railway guarantees in not protecting the public interest with respect to excess of guarantees over the actual cost of road, and also the payment out of money in excess of the actual work done.
- (2) The creation of an enormous provincial indebtedness without any adequate sinking fund to provide for the repayment of same, soon necessitating direct taxation.
- (3) Objectionable forms of taxation
- (4) The failure of the Ministers of the Crown to permit investigation of serious charges against them.
- (5) Depriving the Soldiers from Alberta of their right to vote as ordinary electors of the Province.
- (6) The action of the Government in bringing on an election before the expiration of its term for partisan advantage while our country and empire are facing the great crisis in its history.

THE OPPOSITION STANDS FOR:

- (1) An economic and business administration in contrast to the present partisan administration.
- (2) The appointment of civil servants by an independent Public Service Commission.
- (3) The extension of the Telephone System to meet the reasonable needs of the people and the appointment of an independent commission to operate the same upon business principles and free from political influence.
- (4) The application of the proceeds of the Wild Land Tax towards the establishment of Free Rural Hospitals and the appointment of a Public Hospital Board to direct and supervise the same.
- (5) A constructive policy for a permanent road system throughout the Province under competent engineers unhampered by partisan influence.
- (6) The acquisition and control of the Natural Resources of the Province in order to provide a sufficient revenue not only to repay our public debt but also to carry on a progressive development of the province in general, without resorting to direct taxation.

Yours for good government,

E. MICHENÉR.

